

IAUI

NEOS Gold High Income ETF

Fund Description

IAUI is actively managed, seeking high monthly income by investing in gold ETPs, combined with synthetic options and covered call strategy.

FactSet Analyst Report

IAUI provides exposure to the price of gold bullion through a combination of strategies: ETPs, synthetic options, and covered calls. To start, the actively managed fund invests up to 25% of its assets in ETPs with direct exposure to physical gold through a wholly owned foreign subsidiary in the Cayman Islands. Shifts in the price of gold ETPs typically coincide with the actual price of gold. The fund concurrently invests in FLEX options, with gold ETP as the reference asset, while employing two options strategies. The first strategy aims to replicate shifts in ETP value by creating synthetic exposure through purchasing calls and selling put options at the same strike price with the same expiration. The second seeks to generate high monthly income by writing call options on gold ETPs with expected expirations of approximately one month. Note that the funds overall strategy will limit participation in gains of gold beyond a certain point. The fund is also required to post collateral.